

GROUND SQUIRREL HOLLOW COMMUNITY SERVICES DISTRICT

5915 Silverado Place
Paso Robles, California 93446
(805)238-7040
groundsquirrelhollowcsd.org

MINUTES FOR MAY 13, 2015 BOARD MEETING

Call to Order and Flag Salute:

Director Fulmer called the regular meeting to order at 7:02 p.m.

Roll Call:

Directors Fulmer, Simons, Martinson, Dougherty and Duckworth were in attendance. Manager D’Ornellas and secretary Giminez were also present.

Groundwater Legislation / Proposed Paso Robles Basin Water District

John Diodati of the SLO County Public Works Department gave a comprehensive report of the recent State groundwater legislation and its impact on the Paso Basin. He also provided details on the proposed water district and its role in the groundwater management. David Church of SLO LAFCO provided details on the process the new district will go through for formation. Both answered question from the public.

Public Comment

None

Consent Items

Director Duckworth made a motion to accept and approve the April Regular Meeting Minutes, the Treasurer’s Report and payment of the outstanding invoices, Motion was seconded by Director Martinson and passed by roll call vote by Directors Fulmer, Simons, Martinson, Dougherty and Duckworth. The following invoices were approved for payment.

John D’Ornellas	\$ 2,002.88	April 2015 statement
Beverly Giminez	\$ 400.00	Secretarial services thru 4/30/15 inv. #47
Board Stipends	\$ 400.00	BOD Meeting 4/8/15
Cyber Scriber	\$ 57.75	Web site update Inv. #5128
Catherine Turner	\$ 150.00	Inv. #5 bookkeeping for April 2015
KVC	\$ 1,110.00	Consulting Service for Proposed chip seal project Inv. #20543

General Manager Report

Per the Board's request your GM researched the issues of timing between an approval of new assessment ballot and the actual new assessment implementation/project. The Board asked "why wait until a few months before the next tax year?" A workshop has been held and we are currently doing a mailed survey to property owners to gauge their support but once we move to the assessment ballot it becomes a much more legal process. If the assessment ballot is approved, the County will collect the special assessments via their property tax bills. New assessments will

only be accepted by the county once per year by around mid June after all the ballot measures, public hearings, etc. This will not allow enough time to make the next tax year, 2015/16.

The Local Agency Formation Commission (LAFCO) will begin the sphere of influence updates and municipal service reviews (SOI/MSR) to all the small North SLO County CSD's in 2015. This document is required by state law to be done every three years and is done by LAFCO staff. This would be a good time to address changes to the CSD boundaries to include the new Fox hill development.

Correspondence Received

None

Discussion Items:

1. Fiscal Year 2015-16 Tax Roll:

The annual special tax is the primary source of revenue to maintain roads within the District. If the Board chooses to adopt the proposed increase of 2% for Fiscal Year 2015-16, the result would be an increase of \$5.83 per parcel, for a total annual special tax of \$297.35. If the number of parcels remains unchanged from last year, the total revenue would be \$156,109.00, for an increase in annual revenue of \$3,061.00. The County adds \$2.00 per parcel for collection. The final cost on each property owner's tax bill will be \$299.35. On a motion by Director Simons and a second by Director Fulmer. Resolution 2015-01 was adopted by a roll call vote with Directors Fulmer, Simons, Duckworth, Dougherty and Martinson all voting yes.

2. Chip Seal Project Committee Report, Survey Letter, revised Engineer's Assessment Report:

At the April 8th meeting your Board directed the ad-hoc Chip Seal Committee to meet and look for ways to reduce the project cost to get the proposed assessment closer to \$300 per year and put together a survey letter to property owners within the assessment area. Your Board discussed the ideas of performing the pavement work now on the steep hill section of Peppertree and forked Horn, reducing the contingency estimate, and funding all engineering cost outside of the assessment.

The chip seal committee members include Pam Fulmer, Ed Martinson, Cathy Turner, Steve Bayus, Kevin McCamy, and Reddy Reddy. The committee met on April 22nd at Kevin's house. Rob Carnes, project engineer and the Manager attended the meeting. The committee's overall goal was to find ways to reduce project cost and proceed to the survey step. The initial Engineer Assessment Report detailed project cost including, construction, contingency and engineering of \$1,372,671 plus loan interest cost of \$634,490. This total project cost equated to an assessment of \$364 per parcel for 20 years. The Committee proposed the following ways to reduce the project cost/assessment:

1. Complete the pavement work on the steep hill sections of Peppertree and Forked Horn from the current special tax funds.

- 2 Fund all engineering cost from GSHCSD cash reserves outside of the loan.

The two noted changes would reduce the project cost to \$1,140,400 plus loan interest of \$527,126. This would reduce the assessment to \$304 per parcel with an engineering recommendation of \$310 per year assessment per parcel for 20 years.

Other items that were discussed by the committee include the following:

1. The engineer will not decrease the 20% contingency cost in the assessment report. His advice is to include this cost into the assessment calculation and eventual ballot.
2. Your Manager suggested a phased-in project under a Chip Seal Master Plan that would do the work in phases over 10 years based on new revenue from an assessment. This Master Plan approach would not require a loan since we are only doing new chip seal work based on assessment revenue received annually.
3. It was suggested the survey require name or property address of all responders so we know if there are different levels of support for the survey based on each road.
4. It was suggested by the Committee that we get approval of the assessment now rather than wait until closer to the actual project and tax assessment (2016/17 year).

The Engineer Assessment Report was prepared by Keith Crowe, PE, working with Rob Carnes. The Report contains the following specifics:

1. The assessment map contains 274 parcels within the new chip seal assessment area of about 4.3 miles of roads. The project will impact 52% of total parcels at GSHCSD.
2. Project construction cost is \$921,535 with a 20% contingency of \$184,307. An inflation factor of \$34,558 was added to the cost because we cannot construct the project until September 2016. The total Project cost is \$1,140,400. Loan interest cost for a 4%, 20 year loan is \$527,126. Annual loan payment is \$83,376.
3. Calculated total assessment per parcel is \$6,086 or \$304.29 per year for 20 years. Engineer's recommendation is for a \$310 assessment per each parcel for the 20 years of the proposed USDA loan.

Currently all project costs (construction and engineering) are being financed through the proposed loan (and assessment). The total project cost will not be known until the project goes out to bid. The assessment ballot must be approved by property owners before we go out to bid.

Your Board has requested that your GM get estimates from other engineers to cut costs.

A motion was made by Director Simons to mail the approved survey letter with postage paid post card to property owner's who's properties would be included in the Chip Seal Project. The motion was seconded by Director Martinson and passed by unanimous voice vote.

3. Pavement/Drainage Project Peppertree/Forked Horn:

Your Board has discussed a paving and culvert project on the steep hill sections of Pepper Tree and Forked Horn for several years. These base road sections became very difficult to drive during any amount of rain. The project will add new larger culverts and pave these sections rather than chip seal. Last year, Director Simons sketched out his ideas for improvement to Forked Horn.

These two sections of road again came under review during discussion on the community wide chip seal project. The Engineer Assessment report estimated the drainage and pavement work on these two sections of road will cost \$75,000.

A proposal from the District Engineer was received with a scope of work to engineer, design, bid, and provide construction management services for the proposed project. The Board discussed the proposal and felt it was too expensive and provided more services than needed for the project. The Manager reminded the Board that he is not a road engineer nor a construction inspector and the proposed pavement project required some level of expertise in road design and engineering. A motion was made by Director Simons to direct your GM to look for other engineering proposal to accomplish the work draw up plans/work specification to do work on Peppertree and Forked Horn. Bring a new proposal(s) to a future meeting for Board discussion. The Motion was seconded by Director Martinson and passed by unanimous voice vote.

4. Permit Status Report:

There are currently four (4) active permits. Of these, two have been active for several years. There were no changes from last month.

Active Permits:

Clark - New development Permit - 5432 Blossom, received plans from owner, received \$1,500 permit fee, Initial inspection complete.

Vanderlip - New Development Permit - 5880 Silverado, received plans from owner, received \$1,500 permit fee. Initial inspection complete.

5. Monthly Road Evaluations:

It is the practice of the Board to form teams who annually conduct field surveys of the entire road system, including culverts and drainage ways within the CSD service area, followed by discussion and prioritization of repairs and/or improvements based on available funds. This process starts in October of each year with the objective of "short

listing" proposed projects by the following January through March, weather permitting. After the surveys are complete, the teams compare notes and provide a proposed work schedule based on preliminary budget estimates and the combined results of the road surveys.

At the last regular meeting there was discussion of culvert work on GSH including scope of work, cost and dialogue with the adjacent property owners.

A motion was made by Director Simons to award Mitch Fredrick with the GSH culvert work in the amount of \$14,200. The motion was seconded by Director Martinson and passed by unanimous voice vote.

Your Board received a quote from Paul's Custom Services to replace the fence on GSH after the culvert work is completed. The cost will be \$1,500.

A motion was made by Director Simons to award Paul's Custom Services to replace the fence on GSH when culvert work is completed. The motion was seconded by Director Martinson and passed by unanimous voice vote.

It was mentioned by Director Martinson that the turn-around that was created on Forked Horn Place needs some gravel or recycled road base. This turn-around is just down the road from his house and is about 90% in the right of way easement and 10% on a vacant lot. The Board directed staff to have a load of base delivered to the area. Director Martinson volunteered to spread the base with his tractor.

Resident Cathy Turner mentioned that Silverado Place has developed pot holes and wash boarding from the end of the chip seal area to the mailboxes.

A property owner on Reindeer Place reported that the asphalt has cracks and breakage. The Board will inspect and discuss the issue at next meeting.

Steve Bayus from Mitch Fredrick paving said that GSH will be closed from 8:30 a.m. until about 4:00 p.m. while working on the awarded culvert project. Signs will be posted a week in advance.

Directors/Managers Comments

Creston and Shandon CSD's are sending letters to LAFCO requesting that water meetings be held in Paso Robles to make it more convenient for North County Residents to attend the meetings. They also are requesting some evening meetings.

Adjournment

A motion was made to adjourn the regular meeting by Director Duckworth, seconded by Director Dougherty and passed by unanimous voice vote. The meeting was adjourned at 9:57 p.m. The next regular meeting of the Board of Directors of the Ground Squirrel Hollow Community Services District will be held on Wednesday, June 10, 2015 at 7:00 p.m. at the Meridian Fire Station on Branch Road in Paso Robles, California.

Respectfully Submitted by,

Beverly Giminez, Recording Secretary